

STATE OF NEW YORK

97--B

Cal. No. 634

2019-2020 Regular Sessions

IN SENATE

(Prefiled)

January 9, 2019

Introduced by Sens. KAMINSKY, BROOKS, HOYLMAN, KRUEGER -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- committee discharged and said bill committed to the Committee on Ethics and Internal Governance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the public officers law and the public authorities law, in relation to prohibiting certain persons from receiving compensation for legal fees, consulting, or other work performed for an industrial development agency or an economic assistance corporation

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 18 of section 73 of the public officers law, as
2 amended by section 5 of part CC of chapter 56 of the laws of 2015, is
3 amended to read as follows:

4 18. No statewide elected official, state officer or employee, member
5 of the legislature, legislative employee or political party chairman as
6 defined in this section and section seventy-three-a of this article who:
7 (i) owns or controls directly or indirectly ten per centum or more of
8 stock in a corporation or limited liability company; or (ii) owns or
9 controls ten per centum or more of the capital, profits, or beneficial
10 interest in a partnership or firm, shall receive compensation for legal
11 fees, consulting, or any other contractual expenditure for services,
12 whether actually performed or not, from a state or local authority as
13 defined section two of the public authorities law.

14 19. In addition to any penalty contained in any other provision of
15 law, any person who knowingly and intentionally violates the provisions
16 of subdivisions two through five, seven, seven-a, eight, twelve or four-

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 teen through [~~seventeen~~] eighteen of this section shall be subject to a
2 civil penalty in an amount not to exceed forty thousand dollars and the
3 value of any gift, compensation or benefit received in connection with
4 such violation. Assessment of a civil penalty hereunder shall be made by
5 the state oversight body with jurisdiction over such person. A state
6 oversight body acting pursuant to its jurisdiction, may, in lieu of a
7 civil penalty, with respect to a violation of subdivisions two through
8 five, seven or eight of this section, refer a violation of any such
9 subdivision to the appropriate prosecutor and upon such conviction such
10 violation shall be punishable as a class A misdemeanor.

11 § 2. Subdivision 1 of section 2825 of the public authorities law, as
12 amended by chapter 766 of the laws of 2005, is amended to read as
13 follows:

14 1. No public officer or employee shall be ineligible for appointment
15 as a trustee or member of the governing body of a state or local author-
16 ity, as defined in section two of this chapter, and any public officer
17 or employee may accept such appointment and serve as such trustee or
18 member without forfeiture of any other public office or position of
19 public employment by reason thereof. Provided, additionally no state-
20 wide elected official, state officer or employee, member of the legisla-
21 ture, legislative employee or political party chairman as defined in
22 sections seventy-three and seventy-three-a of the public officers law
23 who: (i) owns or controls directly or indirectly ten per centum or more
24 of stock in a corporation or limited liability company; or (ii) owns or
25 controls ten per centum or more of the capital, profits, or beneficial
26 interest in a partnership or firm, shall receive compensation for legal
27 fees, consulting, or any other contractual expenditure for services,
28 whether actually performed or not, from a state or local authority.

29 § 3. This act shall take effect immediately.